

Monsanto

LAW DEPARTMENT

Monsanto Company
800 N. Lindbergh Boulevard
St. Louis, Missouri 63167
Phone: (314) 694-1000

December 11, 1989

COPY
CEDAR / MONSANTO
DCA CONTRACTS
DATED 12/11/89

Allen Malone, Esq.
Apperson, Crump, Duzane & Maxwell
One Commerce Square
Suite 2110
Memphis, TN 38103

Re: Cedar

Dear Allen:

In response to your December 11, 1989 note, Monsanto has instructed Greg Schulz at the Luling plant to forward to Bill Eissler substantially all of the Technical Information to be provided under the Technology License. At closing, I will provide you with some health and safety documents related to the process. These documents probably do not fall within the technical definition of Information, but I believe Cedar should have these files. It is my understanding that Dana is looking into the issue of information on nitration relating to the DCA process.

Although Monsanto consents to Cedar's use of John Brown E&C, Inc. of Houston, Texas, Monsanto does not consent to Cedar's use of PetroFac, Inc. of Tyler, Texas. Monsanto will investigate the credentials of that firm after Cedar provides Monsanto further information on the firm. Pursuant to the terms and conditions of the Technology License, Cedar shall require John Brown and other contractors approved by Monsanto to enter into appropriate confidentiality agreements.

Finally, as you requested, I am returning to you the financial information on Cedar you provided me in late October.

9349966




Allen Malone, Esq.
December 11, 1989
Page 2

Thank you for your patience and persistence. Please let me know if any wrinkles arise.

Very truly yours,

MONSANTO COMPANY

A handwritten signature in cursive script, appearing to read 'Stefanie', is written over the typed name.

Stefanie L. Emery

SLE09/198

cc: W.W. Brooks
D.G. Devereux
B. Eissler
W.D. Lambert
J.J. Roder

CHARLES W. METCALF, 1840-1924
WILLIAM P. METCALF, 1872-1940
JOHN W. APPERSON, 1895-1955

LAW OFFICES
APPERSON, CRUMP, DUZANE & MAXWELL

CHARLES METCALF CRUMP
JERRE G. DUZANE
JOHN B. MAXWELL, JR.
ALLEN T. MALONE
PHILIP G. KAMINSKY
ROBERT L. DINKELSPIEL
MICHAEL E. HEWGLEY
JAMES F. RUSSELL
JOHN L. RYDER
THOMAS R. BUCKNER
MELODY W. OLIVER
WILLIAM B. MASON, JR.
STEVEN N. DOUGLASS
RANDY S. GARDNER

SUITE 2110
ONE COMMERCE SQUARE
MEMPHIS, TENNESSEE 38103
901/525-1711

TELECOPY 901/521-0789

EAST OFFICE

SUITE 100
KIRBY CENTRE
1755 KIRBY PARKWAY
MEMPHIS, TENNESSEE 38119
901/756-6300
TELECOPY 901/757-1296

SAMUEL RUBENSTEIN
OF COUNSEL

December 11, 1989

Stefanie L. Emery, Esquire
Monsanto Company
Legal Department
800 North Lindberg Blvd.
St. Louis, Missouri 63167

Re: Cedar Chemical Corporation

Dear Stefanie:

Thank you for your letter of November 20, 1989. We are returning to you herewith the three originals of each of the agreements which were enclosed with your letter together with the Technology License Agreement and insurance letter agreement referred to therein, each duly executed on behalf of Cedar Chemical Corporation, as well as the Certificate of Insurance contemplated in the insurance letter agreement.

We now understand that, in lieu of a definitive agreement with respect to the purchase option referred to in your letter, Monsanto and Cedar will enter into the enclosed Addendum to the License Agreement, which will be executed this day concurrent with Monsanto's execution of the other agreements enclosed herewith.

With respect to the License Agreement, it is understood that Monsanto would have no right (without Cedar's consent) to grant licenses to third parties to use the technical improvements referred to in Paragraph 2.04. It is further understood that the documents previously provided to Cedar pursuant to the Confidentiality Agreement dated May 17, 1988, as amended, (including the documents recently sent to Cedar's West Helena Plant from Monsanto Luling Plant) comprise substantially all of the Technical Information to be supplied to Cedar pursuant to the License Agreement. If the documents provided to date do not include nitration technology within the Field of the Agreement, we understand that such information will be provided promptly in accordance with Paragraph 3.01. In addition, we understand that the insurance requirements imposed on Cedar pursuant to the

Stefanie L. Emery, Esquire
December 11, 1989
Page Two

License Agreement will cease upon expiration of the five year term stated in the Insurance Letter Agreement.

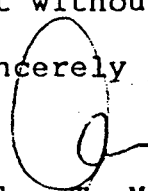
Finally, this confirms that, for purposes of Article IV of the License Agreement, the following contractors have been approved by Monsanto, and that Cedar will cause such contractors to enter into confidentiality agreements with Monsanto as provided in Paragraph 4.01 of the License Agreement:

PetroFac, Inc. of Tyler, Texas
John Brown E&C, Inc. of Houston, Texas

Cedar's execution of the enclosed agreements is subject to each of the foregoing understandings. If Monsanto is in accord, please arrange for all four agreements and the addendum to be duly executed on its behalf and deliver one fully executed copy of each of the agreements to Bill Eissler, with copies for me.

I have enjoyed working with you on this matter and look forward to concluding the documentation so that Cedar can proceed with construction of the DCA Plant without further delay.

Sincerely yours,



Allen T. Malone

ATM:jw

Enclosures

cc: Mr. William J. Eissler, Jr.
Mr. Dana Devereux

ADDENDUM

THIS ADDENDUM to the License Agreement dated December 11, 1989 between Monsanto Company ("Monsanto") and Cedar Chemical Corporation ("Cedar") (the "Agreement") is executed this 11th day of December, 1989.

WHEREAS, Monsanto has granted to Cedar a license to use certain Technical Information, as defined, and in accordance with the provisions of, the Agreement; and

WHEREAS, subject to the terms and conditions hereof, Monsanto is willing to remove certain of the restrictions which are imposed on Cedar through June 30, 1995 (the Initial Term of the Purchase/Supply Agreement referred to in the Agreement) (the "Purchase/Supply Agreement").

NOW, THEREFORE, in consideration of the premises and other good and valuable considerations, the parties agree as follows:

At the end of the Initial Term of the Purchase/Supply Agreement, on the condition that Cedar shall have complied fully with its obligations thereunder, the licenses granted by Monsanto pursuant to Article II of the Agreement, which at that time shall be paid-up in accordance with Section 2.03 of the Agreement shall thereafter be modified in the following respects:

(1) The provisions of Article II of the Agreement notwithstanding, Cedar shall thereafter be permitted to use the Technical Information to expand the PLANT and to construct additional plants without Monsanto's consent.

(2) No assignment or sublicense of Cedar's rights in the licenses granted by Monsanto pursuant to the Agreement, which shall occur following expiration of the Initial Term of the Purchase/Supply Agreement as aforesaid, to an assignee having a net worth at least equal to Cedar's net worth as of the date hereof shall require Monsanto's prior written consent, provided that Monsanto shall have been given written notice of such assignment ^{or sublicense} *142 160* at least thirty (30) days prior to the effective date thereof, the provisions of the Agreement to the contrary notwithstanding. With respect to any assignment or sublicense of Cedar's rights under the Agreement to an assignee whose net worth shall not be at least equal to that of Cedar's as aforesaid, Monsanto's consent to such assignment shall be conclusively presumed unless Monsanto shall notify Cedar in writing of its denial of consent to such assignment, with the reasons for such denial stated in such notice, within ten (10) business days following Monsanto's receipt of Cedar's written request for consent to such assignment ^{or sublicense} *142 160*, provided that Cedar's request for consent shall have been delivered to Monsanto at least thirty (30) days prior to the effective date of such assignment.

EXECUTED by the parties as of the date first hereinabove appearing.

MONSANTO COMPANY

By: *Robert J. [Signature]*

Title: *General Mgr.*

CEDAR CHEMICAL CORPORATION

By: *William F. [Signature]*

Title: *VP & Gen Mgr.*

Monsanto

Monsanto Chemical Company
800 N. Lindbergh Boulevard
St. Louis, Missouri 63167
Phone: (314) 694-1000

November 2, 1989

Mr. William Eissler
Cedar Chemical Corporation
5100 Poplar Avenue
Memphis, Tennessee 38137

Dear Mr. Eissler:

As you know, Monsanto Company ("Monsanto") and Cedar Chemical Corporation ("Cedar"), have been discussing the possibility of entering into (1) a Sales Contract for the sale of orthodichlorobenzene to Cedar by Monsanto; (2) a Sales Contract for the sale of some used equipment to Cedar by Monsanto and (3) a License Agreement whereby Cedar would license some Monsanto technology (collectively referred to as "Agreements").

In consideration of and to induce Monsanto to enter into the Agreements with Cedar, Cedar does hereby agree to the following terms and conditions regarding insurance, in addition to and consistent with, any terms and conditions regarding insurance coverage set forth in the Agreements:

1. Cedar shall obtain all the insurance set forth in Paragraph 3 herein from carriers approved by Monsanto (and such approval shall not be unreasonably withheld), and shall provide Monsanto, simultaneously with the execution of the Agreements, with certificates evidencing such coverage, and continue, on an annual basis, to provide Monsanto with certificates evidencing the continuation of such coverage.

2. Cedar shall make such arrangements as are necessary to insure that every contract of insurance required by Paragraph 3 hereof shall contain the following clause:

"No reduction, cancellation or expiration of this policy shall become effective until thirty (30) days after the date written notice is actually received by National Sales Manager, Process Chemicals, Monsanto Company.

Mr. William Eissler
November 2, 1989
Page 2

3. Cedar shall take out and maintain for a period of not less than five (5) years from the date hereof, the following insurance coverage on an occurrence and not claims made basis, (except for the Umbrella Coverage set forth in Paragraph 3(e), which may be on a claims made basis):

<u>Coverage</u>	<u>Minimum Limits</u>
(a) Workers' Compensation	Statutory
(b) Employer's Liability	\$500,000 each occurrence
(c) Public Liability- Comprehensive General Liability (bodily injury)	\$1,000,000 each occurrence
(d) Public Liability- Comprehensive General Liability (property damage)	\$1,000,000 each occurrence
(e) Umbrella- Comprehensive General Liability	\$25,000,000 each occurrence

Such insurance set forth in (c), (d), and (e) above shall be procured for all Cedar operations relating to, either directly or indirectly, the Agreements. Such insurance shall be in a form providing coverage not less than that of the Comprehensive General Liability Insurance, and shall include coverage for all operations exposures, including without limitation, coverage for explosion, collapse and underground damage, independent contractors' products and completed operations, contractual liability coverage and personal injury coverage and SHALL NAME MONSANTO AS AN ADDITIONAL INSURED.

4. The insurance set forth herein sets forth minimum amounts and coverages and is not to be construed in any way as a limitation of Cedar's liability under the Agreements.

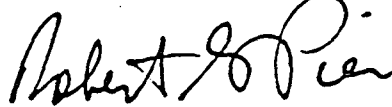
5. All policies of insurance provided by Cedar pursuant to Paragraph 3 hereof, shall contain a Waiver of Subrogation waiving the rights of underwriters of the insurance company of subrogation against Monsanto and against each other.

6. Monsanto and Cedar agree that the terms and conditions of this letter agreement shall be considered addendums to and part of the Agreements.

Mr. William Eissler
November 2, 1989
Page 3

If Cedar is in agreement with the terms and conditions set forth above, please have both originals of this letter executed on behalf of Cedar and return one signed original to me for our records.

Very truly yours,



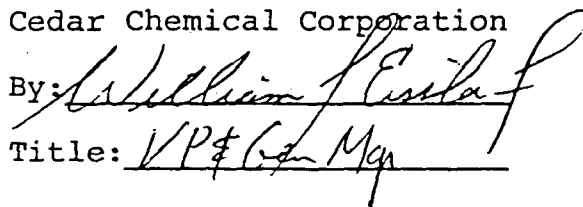
Robert G. Pier
Business Director Process
Chemicals, Rubber and Process
Chemicals Division, MCC

SLE09/143

ACCEPTED AND AGREED TO this 11 day of ^{DECEMBER} ~~November~~.

Cedar Chemical Corporation

By:



Title:

VP & Gen Mgr

Investment Recovery Section

Monsanto

EQUIPMENT DISPOSAL SECTION (F2WD)
800 NORTH LINDBERGH BOULEVARD
ST. LOUIS, MISSOURI 63167
PHONE (314) 694-5771 or (314) 694-6213

SALES CONTRACT

AR #838870

Date November 1, 1989

Contract No

INVOICE NO. 6-81082
Buyer

Shipping Address

Cedar Chemical Corporation
Attention Mr. William J. Eissler, Jr.
Vice President & General Manager
5100 Poplar Avenue
Memphis, TN 38137

Cedar Chemical Corporation
Highway 242 South
West Helena, AR 72390

Attn: Mr. John Miles

agrees to purchase from Monsanto Company the following equipment, SUBJECT TO TERMS AS STATED BELOW AND PRINTED ON THE REVERSE SIDE HEREOF.

Buyer's Inspection Date
Equipment to be Dismantled and removed
~~Buyer must dismantle and remove ALL Equipment~~
From Monsanto's Plant By Date 12/31/89

ITEM	QUANTITY	DESCRIPTION OF EQUIPMENT	UNIT PRICE	TOTAL
1	1 lot	DCA Equipment as described in Exhibit A attached hereto and made a part hereof. EDS No. 10442 - Luling LA Plant TERMS: NET 30 DAYS from date of Delivery. The equipment will be dismantled and loaded onto Buyer's trucks by Seller, not later than December 31, 1989 ("Delivery"). The Buyer will be responsible for freight costs to its shipping address.		\$145,900

All Equipment is sold on an "AS IS" - "WHERE IS" basis.

Unless this contract is executed by Buyer and received by Monsanto within thirty (30) days from the date hereof, this contract shall be null and void.

Notwithstanding any inconsistent or additional terms that may be embodied in Buyer's purchase order, Monsanto accepts such order, subject only to the terms of this written contract.

This contract is subject to the terms and conditions printed on the reverse side hereof and in any special provisions attached hereto.

by William J. Eissler, Jr.
Title VP & Gen Mgr

MONSANTO COMPANY ("Monsanto")
by Robert J. Per
Title Director

OR FOR INTENDED USE, LATENT
OR HIDDEN DEFECTS OR VICES

AND DISCLAIMS ANY WARRANTY UNDER
APPLICABLE LAW IN CONNECTION WITH
THE SALE,

TERMS AND CONDITIONS

1. **WARNING - ASSUMPTION OF RISK - INDEMNIFICATION.** Buyer, recognizing that flammable, toxic or other hazardous materials may have been in contact with the Equipment sold hereunder and that said Equipment may contain such materials, expressly assumes all risk of and responsibility for injury or damage to Buyer (or its employees or agents), any of its Subcontractors (or its employees or agents), or any person, firm or corporation (or its employees or agents) directly or indirectly employed or engaged by either Buyer or any of its Subcontractors, or Buyer's vendees (or its employees or agents) at any tier, based on or arising out of ownership, possession, ~~dismantling, removal,~~ handling or use of the Equipment after Delivery to Buyer.

Buyer agrees to indemnify and save Monsanto, its officers, directors and agents harmless against any and all liabilities, penalties, demands, and claims, causes of action, suits, losses, damages, costs and expenses (including cost of defense, settlement and reasonable attorneys' fees) which any or all of them may hereafter suffer, incur, be responsible for or pay out as a result of bodily injuries (including death) to any person or damage (including loss of use) to any property occurring to, or caused in whole or in part by Buyer (or its employees or agents) any of its Subcontractors (or its employees or agents), or any person, firm or corporation (or its employees or agents) directly or indirectly employed or engaged by either Buyer or any of its Subcontractors or Buyer's vendees (or its employees or agents) at any tier based on or arising out of ownership, possession, ~~dismantling, removal,~~ handling or use of the Equipment. Upon the request of Monsanto, Buyer shall promptly defend any such demand, claim, cause of action or suit.

Buyer agrees to make full reimbursement for any damage, including loss of use, to property which may arise out of or in connection with or from operations under or in connection with this Contract, and is caused in whole or in part, by Buyer (or any of its employees or agents), any of its Subcontractors (or its employees or agents) or any person, firm or corporation (or its employees or agents) directly or indirectly employed or engaged by either Buyer or any of its Subcontractors, or Buyer's vendees (or its employees or agents) at any tier.

Monsanto agrees that Buyer shall not be liable to Monsanto under this contract for liabilities, penalties, demands, claims, causes of action, suits, losses, damages, costs and expenses to any property caused by or resulting from the sole and direct negligence of Monsanto, its employees or agents. Monsanto shall not be liable for incidental or consequential damages whether or not caused by Monsanto's negligence.

2. **SALES - LIMITATION OF WARRANTY.** The Equipment is sold "As Is" "Where Is" with all faults and defects. The description of the Equipment set forth on the face of this Contract, including any drawings, diagrams or blueprints furnished to Buyer by Monsanto, are for the sole purpose of identifying the Equipment and DO NOT CONSTITUTE A WARRANTY OR REPRESENTATION THAT THE EQUIPMENT SHALL CONFORM TO SUCH DESCRIPTION OR ANY CONDITION REFERRED TO THEREIN. Monsanto warrants only title to the Equipment. MONSANTO MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, AS TO MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE, OR ANY OTHER MATTER WITH RESPECT TO EQUIPMENT, whether used alone or in combination with other equipment.

due net 30 days from date of Delivery.

3. **PAYMENTS.** Buyer shall pay Monsanto the total purchase price in full by cashier's bank check prior to the date commencement of dismantling of the Equipment begins or the date of first shipment, whichever occurs first in time. The purchase price does not include the cost of ~~dismantling, removal or~~ shipment of the Equipment unless expressly provided on the face of this Contract.

4. **INSURANCE.** Buyer shall not move, load, transport or otherwise handle the Equipment on Monsanto's premises without first having obtained the following insurance coverage and until certificates confirming such coverages have been furnished to and approved by Monsanto.

COVERAGE

- (a) Workmen's Compensation
- (b) Employer's Liability
- (c) Public Liability (Bodily Injury)
- (d) Public Liability (Property Damage)
- (e) Automobile Liability (Bodily Injury and Property Damage)

LIMITS

Statutory
\$ 500,000 each occurrence
\$1,000,000 each occurrence
\$1,000,000 each occurrence
\$1,000,000 each occurrence

The public liability insurance shall include coverage for all of Buyer's contractual liability under Paragraph 1 with limits not less than those set forth in subparagraphs (b), (c) and (d) above. Monsanto agrees, however, that such public liability insurance need not cover (1) damage, or loss of use resulting from such damage to property of Monsanto under Buyer's care, custody or control, (2) liabilities, penalties, demands, claims, causes of action, suits, losses, damages, costs and expenses arising out of bodily injury (including death) to any person or damage to any property caused by or resulting from the sole negligence of Monsanto, its employees or agents.

Every contract of insurance providing the coverages required herein shall contain the following clause "No reduction, cancellation or expiration of this policy shall become effective until ten days from the date written notice is actually received by

Monsanto Company
800 North Lindbergh Boulevard
St. Louis, Missouri 63167

ATTENTION: Equipment Disposal Section

Buyer shall maintain such coverage
for at least two years after the
effective date of this contract.

Buyer, its employees, agents, and its subcontractors and their employees and agents shall comply with Monsanto's plant safety and other applicable rules.

5. **FORCE MAJEURE.** Performance may be suspended by either party in case of act of God, war, riots, fire, explosion, flood, strike, lockout, injunction, inability to obtain fuel, power, materials, labor, containers or transportation facilities, accident, breakage of machinery or apparatus, national defense requirements, law, order or request of any governmental agency, or any cause beyond the control and without the fault or negligence of such party, preventing the dismantling, removal, shipment or acceptance of any portion of the Equipment.

6. **SUBCONTRACTORS.** Buyer shall not subcontract any work for the dismantling or removal of Equipment without the prior written consent of Monsanto and any attempted subcontracting or delegation without such consent shall be void. Buyer shall have full directing authority over and responsibility for the performance of all portions of any work subcontracted and shall not be relieved of its full responsibility for the proper performance and completion of Equipment removal because Monsanto has consented to such subcontracting. Nothing contained in this Contract is intended to nor shall the same create any contractual relation between any subcontractor and Monsanto. Buyer agrees to bind every Subcontractor to the terms, conditions, and provisions of this Contract.

7. **INSPECTION.** Prior to signing this Contract, Monsanto has given Buyer an opportunity to fully inspect the Equipment consistent with necessary safety precautions. In addition, Monsanto has been available to Buyer to answer any questions Buyer may have had about the equipment.

8. **SHIPMENT.** Buyer shall assume title to and risk of loss of the Equipment upon the date of ~~commencement of dismantling or the date of shipment, whichever first occurs in time.~~ delivery.

9. **TAXES.** Buyer will reimburse Monsanto for any tax payable by Monsanto because of the sale of the Equipment including, but not limited to, Sales Tax, Use Tax, Retailer's Occupational Tax, Gross Receipts Tax. Any such tax may, at Monsanto's option, be added to the price herein specified.

10. **ASSIGNMENT.** Buyer may not assign its rights or delegate its performance hereunder without the prior written consent of Monsanto, and any attempted assignment or delegation without such consent shall be void.

11. **MISCELLANEOUS.** The validity, interpretation and performance of this Contract shall be governed and construed in accordance with the laws of the State of Missouri. This Contract constitutes the full understanding of the parties, and is a complete and exclusive statement of the terms of their agreement. No conditions, understanding or agreement purporting to modify or vary the terms of this Contract shall be binding unless made in writing and signed by officers or employees of both parties who hold positions at least comparable to those officers or employees who executed this Contract. No waiver by either Monsanto or Buyer with respect to any breach or default of any right or remedy, and no course of dealing, shall be deemed to constitute a continuing waiver or any other breach or default of any other right or remedy, unless such waiver be expressed in writing signed by the party to be bound. All time limits stated in this Contract are of the essence thereof.

EXHIBIT A

DCA EQUIPMENT FOR CEDAR CHEMICAL

<u>NO.</u>	<u>DESCRIPTION</u>	<u>MOC</u>	<u>SIZE</u>
102	DCNB STG PUMP	CS	150GPM
103	AUTOCLAVE & AGITATOR	HC-276	1000G
103	HAST PIPE & VALVES	HC-276	
103	24" R/D HOLDER	HC-276	24"
103	3" R/D & RELIEF VLV	HC-276/STL	3"
108	WATER SEP TANK	GL/STL	1500G
112	WATER TNK A/C COOLER	CS	1000G
113	A/C COOLER		7MMBTU
114	A/C COOLER PUMP	CS	280GPM
126	CAT MIX TNK & AGIT	CS	50G
202	STILL POT	316L	6300G
202	POT VAPOR LINE	316L	
204	COLUMN	316L	5'X 57'
204	COLUMN VAPOR LINE	316S	
205	OH CONDENSER	316S	569FT**2
206	HEAD FRAC RCVR	CS	1250G
207	PCA INT FRAC RCVR	316SS	500G
207.1	DCA INT FRAC RCVR	316S	2000G
208	MAIN FRAC RCVR	316S	3750G
209	RESIDUE HOLD TNK	CS	5000G
210.1	N. JET CONDENSER	CS	
210.2	S. JET CONDENSER	CS	
213	PRODUCT XFR PUMP	316S	50GPM
214	PRODUCT STG PUMP	316S	100GPM
215	COLUMN REFLUX PUMP	316S	25GPM
216	TEMP WATER TANK	CS	1000G
217	TEMP WATER PUMP	CS	350GPM
218	TEMP WATER COOLER		3MMBTU
220	REFLUX SURGE TANK	316S	75G
222	SPARE REFLUX PUMP	316S	25GPM
225.1	PNCB STG PUMP	CS	
231	DCA UNLOADING PUMP	316S	
232	DCA HEAD STG TANK	CS	10KGAL
238	STILL EMER. KO TANK	CS	
238	12" PIPING EMER SYS	CS	
239	STILL EMER SCRUBBER	CS	
241	EMER PIT SCRUBBER	CS	
	SCALE & EX. SYSTEM		
	MOTOR STARTERS		
	HEAD FRAC RCVR PUMP	CS	

Monsanto

(SELLER)

800 N. Lindbergh Boulevard
St. Louis, Missouri 63167
(314) 694-1000

SALES CONTRACT

SOLD TO CEDAR CHEMICAL CORPORATION **(BUYER)**
5100 POPLAR AVENUE
MEMPHIS, TENNESSEE 38137

THE FOLLOWING GOODS, SUBJECT TO TERMS AND CONDITIONS AS STATED BELOW AND ON THE REVERSE SIDE HEREOF.

Period October 1, 1990 or start up of Buyer's DCA manufacturing facility, whichever is later, but in no event later than December 31, 1990, through June 30, 1995 and continuing from year to year unless terminated by either party effective June 30, 1995 or any June 30th thereafter by either party giving at least one (1) year written notice to the other party.

Goods Orthodichlorobenzene (ODCB) refined as specified in Exhibit A attached hereto.

Quantity 100% of Buyer's estimated requirements with a minimum three (3) million lbs/year and a maximum of five (5) million lbs/year during the first twelve (12) months and a minimum of five (5) million lbs/year and maximum of five and one-half (5.5) million lbs/year each 12 month period thereafter and additional quantities of goods that Buyer is willing to buy and Seller is willing to sell.

Price See exhibit B attached hereto.

Payment Terms Net thirty (30) days from date of invoice.

F.O.B. Seller's plant at Sauget, Illinois.

Packing Shipments Tank trucks or railcar.
See Addendum attached hereto.

Additional terms and conditions are stated on the reverse side hereof.

This contract shall not be binding on Seller unless executed by Buyer and an authorized representative of Seller and delivered to Seller within thirty days from the date below.

EXECUTED BY

CEDAR CHEMICAL Corp. **BUYER**
BY William J. Enloe
TITLE VP & Gen Mgr.

DATED

12/11/89
MONSANTO COMPANY, SELLER
BY Robert G. Pier
TITLE Business Director Process Chemicals

1. **EXCUSE OF PERFORMANCE.** (a) Deliveries may be suspended by either party in the event of: Act of God, war, riot, fire, explosion, accident, flood, sabotage; lack of adequate fuel, power, raw materials, labor, containers or transportation facilities; compliance with governmental requests, laws, regulations, orders or actions; breakage or failure of machinery or apparatus; national defense requirements or any other event, whether or not of the class or kind enumerated herein, beyond the reasonable control of such party; or in the event of labor trouble, strikes, lockout or injunction (provided that neither party shall be required to settle a labor dispute against its own best judgment); which event makes impracticable the manufacture, transportation, acceptance or use of a shipment of the goods or of a material upon which the manufacture of the goods is dependent.

(b) See Addendum attached.

(c) Deliveries suspended or not made by reason of this section shall be cancelled without liability, but this contract shall otherwise remain unaffected.

2. **BUYER'S CREDIT.** Seller reserves the right, among other remedies, either to terminate this contract or to suspend further deliveries under it in the event Buyer fails to pay for any one shipment when same becomes due. Should Buyer's financial responsibility become unsatisfactory to Seller, cash payments or security satisfactory to Seller may be required by Seller for future deliveries and for the goods theretofore delivered.

3. **WEIGHTS AND CONTAINERS.** In the case of bulk carload, tank car, tank truck or barge shipments, Seller's weights shall govern unless proved to be in error. Where returnable containers are used in shipment, title to such containers shall remain in Seller, and a deposit in the amount required by Seller must be made at the time payment is tendered for the goods. Such containers must be kept in good condition, must not be used for any material other than the goods shipped therein and must be returned within sixty (60) days from date of shipment. On such containers being so returned in good condition, a refund of the deposit will be made.

4. SHIPMENTS.

See Addendum attached.

5. **LIMITED WARRANTY.** Subject to Section 6 and unless otherwise expressly provided herein, Seller warrants title and that the goods shall conform to Seller's standard specifications or to the attached specifications, if any. Subject to the preceding sentence and except as otherwise expressly provided herein, SELLER MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, AS TO MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE, OR ANY OTHER MATTER WITH RESPECT TO THE GOODS, whether used alone or in combination with any other material.

6. **LIMITATION OF LIABILITY.** (a) Within thirty (30) days after receipt of each shipment of the goods, Buyer shall examine such goods for any damage, defect or shortage. All claims for any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) shall be deemed waived unless made in writing and received by Seller within sixty (60) days after Buyer's receipt of the goods, in respect to which such claim is made, or, if such claim is for non-delivery of such goods, within sixty (60) days after the date upon which such goods were to be delivered, provided that as to any such cause not reasonably discoverable within such sixty (60) day period (including that discoverable only in processing, further manufacture, other use or resale) any claim shall be made in writing and received by Seller within one hundred eighty (180) days after Buyer's receipt of the goods, in respect to which such claim is made, or within thirty (30) days after Buyer learns of the facts giving rise to such claim, whichever shall first occur. Failure of Seller to receive written notice of any such claim within the applicable time period shall be deemed an absolute and unconditional waiver by Buyer of such claim irrespective of whether the facts giving rise to such claim shall have then been discovered or of whether processing, further manufacture, other use or resale of the goods shall have then taken place.

(b) See Addendum attached.

shall not be paid unless authorized in advance by Seller.

(c) If Seller furnishes technical or other advice to Buyer, whether or not at Buyer's request, with respect to processing, further manufacture, other use or resale of the goods, Seller shall not be liable for, and Buyer assumes all risk of, such advice and the results thereof.

7. **PATENTS.** Subject to Section 6 and unless otherwise expressly provided herein, Seller warrants that the goods sold pursuant to this contract, except for those made for Buyer according to Buyer's specifications, do not infringe any valid U.S. patent. This warranty is given upon condition that Buyer promptly notify Seller of any claim or suit involving Buyer in which such infringement is alleged and that, if Seller is affected, Buyer permit Seller to control completely the defense or compromise of any such allegation of infringement. Seller does not warrant that the use of the goods or any material made therefrom, whether the goods are used alone or in combination with any other material, will not infringe a patent. Seller reserves the right to terminate Seller's warranty under this Section 7 at any time with respect to any undelivered goods, it being agreed that in the event of such termination Buyer may, without penalty, thereafter refuse acceptance of such undelivered goods.

8. **FREIGHT AND TAXES.** Any increase in freight rates paid by Seller on shipments covered by this contract and hereafter becoming effective and any tax or governmental charge or increase in same (excluding any franchise or income tax or other tax or charge based on income) (a) increasing the cost to Seller of producing, selling or delivering the goods or of procuring materials used therein or (b) payable by Seller because of the production, sale or delivery of the goods, such as Sales Tax, Use Tax, Retailer's Occupational Tax, Gross Receipts Tax, Value Added Tax, may, at Seller's option, be added to the price herein specified.

9. **PRICE REVISION.** The price, point of delivery, service allowance, if any, and terms of payment herein specified may be revised as of the first day of any month after the date hereof (including the first such month), by written notice from Seller given not less than fifteen (15) days prior to the first day of any such month. Unless Buyer, by written notice received by Seller prior to the first day of such month, objects to the proposed revision, such revision shall become effective on the first day of such month. Buyer's written objection to such proposed revision received by Seller prior to its effective date shall permit Buyer to purchase elsewhere the quantities due during the ensuing month if Buyer shall be able to purchase such quantities of goods of equal quality manufactured in the United States at a lower delivered price from responsible manufacturers thereof, and shall have furnished Seller with satisfactory written proof of bona fide offers by such manufacturers and Seller shall have elected not to meet such offers, in which event Seller shall be released from its obligation during such month. If Seller declines to revise the price, point of delivery, service allowance or terms of payment pursuant to this section but is restricted to any extent against so doing by reason of any governmental request, law, regulation, order or action, or if the price, point of delivery, service allowance or terms of payment then in effect under this contract are altered by reason of governmental request, law, regulation, order or action, Seller shall have the right to (a) terminate this contract by written notice to Buyer, (b) suspend deliveries for the duration of such restriction or alteration or (c) have apply to this contract (as of the effective date of such restriction or alteration) any price, point of delivery, service allowance or terms of payment governmentally acceptable. Any delivery suspended under this section shall be cancelled without liability, but this contract shall otherwise remain unaffected.

10. **PRICE PROTECTION.** Should Buyer at any time any shipment is due under this contract be offered, in good faith, a lower delivered price on like material manufactured in the United States of equal quality and specification, in like quantity as the shipment involved for the same use by a responsible manufacturer of such material not affiliated with Buyer and furnish Seller satisfactory written proof of same, Seller will, at its option, either (a) supply such shipment at the lower price or (b) permit Buyer to purchase such quantity at the lower delivered price from the manufacturer making such offer. Any quantity so purchased by Buyer with Seller's permission shall be deducted from the total quantity of this contract.

11. **COMPLIANCE WITH CERTAIN LAWS.** Subject to Section 6 and unless otherwise expressly provided herein, the goods shall be produced in compliance with the requirements of the Fair Labor Standards Act of 1938, as amended, and Executive Order 11246.

12. **ASSIGNMENT.** Buyer shall not (by operation of law or otherwise) assign its rights or delegate its performance hereunder without the prior written consent of Seller, and any attempted assignment or delegation without such consent shall be void.

13. **MISCELLANEOUS.** The validity, interpretation and performance of this contract and any dispute connected herewith shall be governed and construed in accordance with the laws of the State of Missouri. This contract constitutes the full understanding of the parties, a complete allocation of risks between them and a complete and exclusive statement of the terms and conditions of their agreement. Except as provided in Sections 9 and 10 hereof, no conditions, usage of trade, course of dealing or performance, understanding or agreement purporting to modify, vary, explain or supplement the terms or conditions of this contract shall be binding unless hereafter made in writing and signed by the party to be bound, and no modification shall be effected by the acknowledgment or acceptance of purchase order or shipping instruction forms containing terms or conditions at variance with or in addition to those set forth herein. No waiver by either Seller or Buyer with respect to any breach or default or of any right or remedy and no course of dealing, shall be deemed to constitute a continuing waiver of any other breach or default or of any other right or remedy, unless such waiver be expressed in writing signed by the party to be bound.

Monsanto

PRODUCT SPECIFICATION

MONSANTO CHEMICAL COMPANY

EXHIBIT A

PRODUCT

GRADE

ortho-Dichlorobenzene

Refined

CODE NO.

8650-099

DATE EFFECTIVE

October 1985

CAS NO.

95-50-1

CHARACTERISTICS

LIMITS

Appearance

Clear mobile liquid

Color (APHA)

15 APHA Maximum

Moisture

135 PPM Maximum

ortho-Dichlorobenzene

99.0% Minimum

para-Dichlorobenzene

0.9% Maximum

EXHIBIT B

I PRICING

- (A) INITIAL PRICE. Subject to the other provisions of this Exhibit B, the initial price for each pound of ortho-dichlorobenzene (ODCB) shipped under this contract will be \$0.38/lb FOB Seller's plant at Sauget, Illinois. Price adjustments will be made at six month intervals beginning July 1, 1990, based upon the following formula:

Formula:

$$P = 0.38 + (.0745) * (BZ2 - BZ1)$$

$$P = \text{Price of ODCB to Buyer in \$/lb.}$$

$$BZ2 = \text{Arithmetic average of the mid points of dollars per gallon price range for benzene (including superfund tax in \$/gal.) published in the first issue of the DeWitt Newsletter for each month of the six month period commencing on the ninth month preceding the 1st day of the six month period for which a price adjustment is applicable.}$$

$$BZ1 = \$1.418/\text{gal (Includes Superfund Tax of } \$0.018/\text{gal.)}$$

*.0745 converts dollars per gallon into cents per pound

- (B) PRICE RECALCULATION. At least three months prior to July 1, 1990 and three months prior to the first day of each subsequent six (6) month period, Seller will advise Buyer of the price for goods to be shipped in that six month period. Such price shall be used on all invoices for goods shipped to Buyer in such six (6) month period. Any price increase of less than one cent (1¢) shall be rounded off to the nearest penny with changes of $\frac{1}{2}$ ¢ or more being rounded up to the nearest penny.
- (C) CHANGE IN DATA. If the DeWitt Newsletter discontinues publishing the data required to calculate the values for BZ2 or changes its method of reporting or computing such data to an extent considered substantial by either party, either party may notify the other in writing of discontinuance or change and the parties shall attempt to agree upon comparable statistics published by an agency of the United States Government or by responsible periodical to use in computing the price of goods pursuant to the formula described in Subsection (A) above. If agreement cannot be reached within thirty (30) days from the date of such notice, the parties shall request the National Bureau of Economic Research, Boston, Massachusetts to select a recognized authority to select a comparable statistic or statistics and the parties shall be bound by the selection made by such authority.

ADDENDUM TO SALES CONTRACT - ADDITIONAL TERMS & CONDITIONS

1(b). If Seller's ability to manufacture the total demand for the goods required by the Buyer and by other third parties to whom Seller is contractually obligated to supply the goods or to obtain any or a sufficient quantity of any material used directly or indirectly in the manufacture of the goods shall be hindered, limited or made impracticable due to an event described in Paragraph 1(a) hereinabove, Seller shall allocate its available supply of the goods or such material (without obligation to acquire other supplies of any such goods or material) to the Buyer on an equitable basis, based upon the ratio which the quantity of the goods which each such party including the Buyer is entitled to purchase from the Seller bears to the total quantity of goods available for delivery to such parties.

6(b). EITHER PARTY'S EXCLUSIVE REMEDY SHALL BE FOR DAMAGES AND EACH PARTY'S TOTAL LIABILITY FOR ANY AND ALL LOSSES AND DAMAGES ARISING OUT OF ANY CAUSE WHATSOEVER (WHETHER SUCH CAUSE BE BASED IN CONTRACT, NEGLIGENCE, STRICT LIABILITY, OTHER TORT OR OTHERWISE) SHALL IN NO EVENT EXCEED THE PURCHASE PRICE OF THE GOODS IN RESPECT TO WHICH SUCH CAUSE ARISES OR AT THE OPTION OF SELLER IN THE EVENT SELLER IS IN DEFAULT, THE REPAIR OR REPLACEMENT OF SUCH GOODS, AND IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES RESULTING FROM ANY SUCH CAUSE. Seller shall not be liable for, and Buyer assumes liability for, all personal injury and property damage connected with the handling, transportation, possession, processing, further manufacture, other use or resale of the goods after they have been delivered to the Buyer whether the goods are used alone or in combination with any other material. Transportation charges for the return of the goods shall not be paid unless authorized in advance by Seller.

* DECEMBER 11, 1989 *LYC 1268*
Conditions Precedent: The rights and obligations of the parties hereunder are expressly conditional upon the execution and delivery by ~~October 1, 1989~~ of 1) a mutually satisfactory Equipment Purchase Agreement providing for the sale to Buyer of all equipment located at Seller's Luling Plant formerly used by Seller for production of DCA and specifically identified in the Equipment Purchase Agreement, and 2) a mutually satisfactory DCA Technology License/Technical Assistance Agreement.

Buyer's minimum purchase obligation hereunder shall also be conditional on the Buyer's ability to construct and successfully start up its DCA Manufacturing Facility, which condition Buyer will make its best efforts to satisfy as soon as practicable

following the date of this Agreement. Buyer shall notify Seller of the date on which Buyer's DCA Manufacturing Facility shall have been successfully started up, which notice shall constitute satisfaction of the condition stated in this paragraph. If the condition stated herein shall have been neither satisfied nor waived by Cedar by no later than June 30, 1991, this Agreement shall terminate on said date and be of no further force or effect.

* JUNE 30, 1990
If Buyer has not commenced construction of its DCA Manufacturing Facility by ~~March 31~~ 1990, by laying the foundation and beginning the installation of DCA equipment purchased from Seller referred to above, Buyer shall so notify Seller in writing and within sixty (60) days after receipt of said notice Seller may, but shall not be required to, terminate this Agreement, in which event this Agreement shall be of no force and effect.

4. Shipments: Buyer shall provide Seller with annual forecasts of its requirements for goods during each month of the term hereof, which forecasts shall be revised and updated at least quarterly. Seller shall ship such quantities of goods in each contract month as shall be specified in Buyer's delivery instructions to Seller at least sixty (60) days prior to each such contract month, provided that Seller shall not be obligated to ship in any single contract month more than 600,000 pounds of ODCB.

If Buyer fails to give Seller delivery instructions at least sixty (60) days prior to any month during the term of this Agreement, shipments for that month shall be at Seller's sole option, between zero and one-twelfth (1/12) of the average of the minimum and maximum quantity for the twelve month period in question set forth in the Quantity section of this agreement. Seller will give Buyer written notice not later than thirty (30) days prior to the first day of such month of the amount it intends to ship during any such month.

Seller has advised Buyer that its production of ODCB can not be increased or decreased during the year based upon changes in demand by customers, and that Seller does not have storage facilities for ODCB. Buyer recognizes that it is its responsibility to order sufficient quantities of goods and provide adequate storage and inventories of goods to satisfy its needs for the goods.

HFH01/112

EXHIBIT L1

ODCB PURCHASE/SUPPLY AGREEMENT

DATED DECEMBER 11, 1989



CERTIFICATE OF INSURANCE

SET TAB STOPS AT ARROWS
ISSUE DATE (MM/DD/YY)

11/28/89

PRODUCER

Nausch, Hogan & Murray, Inc.
South Street Seaport
19 Fulton Street
New York, N.Y. 10038

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY LETTER **A** National Union Fire Ins. Co.COMPANY LETTER **B** Zurich-American Ins. GroupCOMPANY LETTER **C** Lexington Insurance CompanyCOMPANY LETTER **D** Hartford Insurance Co.COMPANY LETTER **E**

INSURED

Cedar Chemical Corporation
5100 Poplar Avenue
Memphis, Tennessee 38137

COVERAGES

THIS IS TO CERTIFY THAT POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS, AND CONDITIONS OF SUCH POLICIES.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIABILITY LIMITS IN THOUSANDS		
						EACH OCCURRENCE	AGGREGATE
A	GENERAL LIABILITY	590-24-29 RA	4-1-89	4-1-90	BODILY INJURY	\$	\$
	<input checked="" type="checkbox"/> COMPREHENSIVE FORM				PROPERTY DAMAGE	\$	\$
	<input checked="" type="checkbox"/> PREMISES/OPERATIONS UNDERGROUND EXPLOSION & COLLAPSE HAZARD				BI & PD COMBINED	\$1,000	\$1,000
	<input checked="" type="checkbox"/> PRODUCTS/COMPLETED OPERATIONS				PERSONAL INJURY	\$	\$
	<input checked="" type="checkbox"/> CONTRACTUAL						
	<input type="checkbox"/> INDEPENDENT CONTRACTORS						
	<input type="checkbox"/> BROAD FORM PROPERTY DAMAGE						
	<input checked="" type="checkbox"/> PERSONAL INJURY				BODILY INJURY (PER PERSON)	\$	
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (PER ACCIDENT)	\$	
	<input type="checkbox"/> ALL OWNED AUTOS (PRIV. PASS.)				PROPERTY DAMAGE	\$	
	<input type="checkbox"/> ALL OWNED AUTOS (OTHER THAN PRIV. PASS.)				BI & PD COMBINED	\$	
	<input type="checkbox"/> HIRED AUTOS						
	<input type="checkbox"/> NON-OWNED AUTOS						
	<input type="checkbox"/> GARAGE LIABILITY						
A	EXCESS LIABILITY	CLM 307-49-73	4-01-89	4-01-90	BI & PD COMBINED	\$25,000	\$25,000
B	<input type="checkbox"/> UMBRELLA FORM	CEC 6372031-00	9-29-89	4-01-90			
C	<input type="checkbox"/> OTHER THAN UMBRELLA FORM	089/2170 TRA 4 LIB	10-25-89	4-01-90			
D	WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY	10WBEN 7988	10-27-89	10-27-90	STATUTORY	\$1000 (EACH ACCIDENT)	
						\$ (DISEASE-POLICY LIMIT)	
						\$ (DISEASE-EACH EMPLOYEE)	
	OTHER						

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

Certificate Holder is added as an Additional Insured.

CERTIFICATE HOLDER

Monsanto Company
800 N. Lindbergh Blvd.
St. Louis, MO 63167

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

W11W22B89

LICENSE AGREEMENT

between

MONSANTO COMPANY

and

CEDAR CHEMICAL CORPORATION

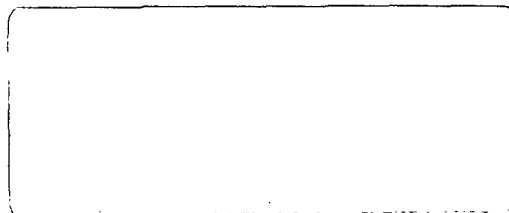


TABLE OF CONTENTS

<u>ARTICLE NO.</u>	<u>TITLE</u>	<u>PAGE NO.</u>
I	DEFINITIONS	2
II	LICENSES	4
III	TECHNICAL INFORMATION AND ASSISTANCE	6
IV	USE OF CONTRACTOR	8
V	PAYMENTS	9
VI	REPRESENTATIONS AND WARRANTIES	14
VII	INDEMNITIES	15
VIII	INSURANCE	16
IX	SECURITY	17
X	TERM AND TERMINATION	18
XI	ASSIGNMENT	22
XII	FORCE MAJEURE	23
XIII	NOTICES AND TECHNICAL COMMUNICATIONS	24
XIV	MISCELLANEOUS	25

LICENSE AGREEMENT

THIS AGREEMENT, effective the 11th day of December,
1989, by and between:

MONSANTO COMPANY, a corporation organized and exist
ing under the laws of the State
of Delaware, having its principal
offices at 800 North Lindbergh
Boulevard, St. Louis, Missouri 63167,
(hereinafter referred to as "MONSANTO")

and

CEDAR CHEMICAL a corporation organized and existing
CORPORATION, under the laws of the State of
Delaware, having its principal offices
at 5100 Poplar Avenue, Memphis,
Tennessee 38137 (hereinafter referred to
as "LICENSEE").

WITNESSETH:

WHEREAS, MONSANTO possesses certain TECHNICAL INFORMATION
(as hereinafter defined) concerning the manufacture of PRODUCT (as
hereinafter defined) by (a) batch liquid-phase acid-catalyzed
nitration of o-dichlorobenzene, (b) batch catalytic liquid-phase
hydrogenation of the mixed isomers of nitrated o-dichlorobenzene
so produced, and (c) batch distillation of the PRODUCT so
produced, and is legally free to license others to use such
TECHNICAL INFORMATION; and

WHEREAS, LICENSEE desires to obtain a license to use the TECHNICAL INFORMATION in order to design, construct, operate, and maintain a PLANT (as hereinafter defined) to manufacture PRODUCT in the United States of America and to use and/or sell PRODUCT so produced; and

WHEREAS, MONSANTO is willing to grant to LICENSEE a license under the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and obligations assumed by the parties hereto, it is understood and agreed as follows:

ARTICLE I - DEFINITIONS

As used in this Agreement, the following defined terms shall have the meanings set forth in this Article I.

1.01 - PRODUCT shall mean 3,4-dichloroaniline.

1.02 - The FIELD OF THIS AGREEMENT shall mean the processes and equipment for the production of PRODUCT by (a) batch liquid-phase acid-catalyzed nitration of o-dichlorobenzene, (b) batch catalytic liquid-phase hydrogenation of the mixed isomers of nitrated o-dichlorobenzene so produced, and (c) batch distillation of PRODUCT so produced. The FIELD OF THIS AGREEMENT shall not include the manufacture and/or purification of o-dichlorobenzene or the separation and/or purification of the mixed isomers of nitrated o-dichlorobenzene.

1.03 - TECHNICAL INFORMATION shall mean technical, engineering, and manufacturing information and know-how within

the FIELD OF THIS AGREEMENT in the possession of MONSANTO including, but not limited to, process, equipment, know-how, operating procedures, specifications for raw materials, product specifications, process design information, skills, methods, and other proprietary information, written or unwritten. TECHNICAL INFORMATION shall also include all "TECHNICAL INFORMATION" previously provided to LICENSEE as defined in and under the provisions of the Confidentiality Agreement dated May 17, 1988, as subsequently amended by Letter Agreements dated January 10, 1989 and May 24, 1989 between MONSANTO and LICENSEE. TECHNICAL INFORMATION shall not include (i) process design methods; (ii) any data or other information relative to MONSANTO's costs, prices, profit margins, customers, sales volumes, market areas, or quantities of products actually produced by MONSANTO; (iii) any information acquired from a third party or parties which is subject to confidentiality or use restrictions preventing use or disclosure hereunder; or (iv) any information, the disclosure of which would require additional payments of any kind whatsoever to be made by MONSANTO. As of the EFFECTIVE DATE OF THIS AGREEMENT, MONSANTO is not aware of any information within the FIELD OF THIS AGREEMENT which comes within the terms of items (iii) and (iv) of this Paragraph 1.03.

1.04 - PLANT shall mean the industrial installation to be designed, constructed, operated, and maintained by LICENSEE at or near West Helena, Arkansas, utilizing TECHNICAL INFORMATION for the manufacture of PRODUCT.

1.05 - EFFECTIVE DATE OF THIS AGREEMENT shall mean the date first above written.

ARTICLE II - LICENSES

2.01 - MONSANTO agrees to grant and does hereby grant to LICENSEE a nonexclusive, nontransferable license to use TECHNICAL INFORMATION provided for the sole purpose of and only to the extent necessary to design, construct, operate, and maintain the PLANT to produce PRODUCT and a nonexclusive license to use and/or sell PRODUCT so produced, worldwide.

2.02 - MONSANTO agrees to grant and hereby does grant to LICENSEE a nonexclusive, nontransferable license and immunity from suit under trade secrets (other than TECHNICAL INFORMATION) and Letters Patent owned and controlled by MONSANTO (in the sense that MONSANTO has the right to grant licenses thereunder without accounting to others) for the sole purpose of enabling and only to the extent that a license under same is required to enable LICENSEE to make full use of the license granted pursuant to Paragraph 2.01.

2.03 - The licenses granted to LICENSEE pursuant to Paragraphs 2.01 and 2.02 shall extend from the EFFECTIVE DATE OF THIS AGREEMENT through June 30, 1995, the initial term of the Purchase/Supply Agreement, of even date herewith, attached hereto as Exhibit L1 in accordance with Paragraph 5.01 of Article V, below, and made a part of this Agreement, or in the event of the exercise by MONSANTO of its option to require payment by LICENSEE of a running royalty pursuant to Paragraph 5.02, then from the

effective date of the requirement to pay such royalties through June 30, 1995, at which time, in either event, LICENSEE shall have paid-up licenses for the use of TECHNICAL INFORMATION to operate and maintain the PLANT for the production of PRODUCT.

2.04 - If, during the term of this Agreement or any extension thereof, LICENSEE should make any technical improvements within the FIELD OF THIS AGREEMENT, which technical improvements shall have been incorporated into the PLANT, then LICENSEE agrees to grant and does hereby grant to MONSANTO a nonexclusive, royalty-free license to use such technical improvements, including a nonexclusive royalty-free license under any Letters Patent and applications for Letters Patent on such technical improvements for the full term thereof, owned or controlled by LICENSEE (in the sense that LICENSEE has the right to grant licenses and sublicenses thereunder without accounting to others), to the extent necessary for MONSANTO to use such technical improvements in any of MONSANTO's operations.

2.05 - LICENSEE shall have the right to increase the output of the PLANT without MONSANTO's consent and without assistance from MONSANTO and without remuneration to MONSANTO in addition to that provided for in Article IV of this Agreement only by debottlenecking and increasing efficiency. "Debottlenecking and increasing efficiency" as used herein shall mean any revisions or operational changes less extensive than the construction, erection, and operation of additional major equipment, not provided for in the initial design of the PLANT, or through

material revisions to major pieces of equipment in the PLANT (e.g., an increase in overall dimensions.)

2.06 - Nothing contained herein shall be construed (a) as granting LICENSEE a license or right to construct additional plants, or as obligating MONSANTO to grant LICENSEE additional licenses and rights to use TECHNICAL INFORMATION to construct additional plants or, subject to Paragraph 2.05, to expand the PLANT, or (b) as granting licenses and rights under Letters Patent or applications for Letters Patent, or trade secret information and PRODUCT. For purposes of Part (a) of this Paragraph 2.06, in the event LICENSEE, at any time prior to the expiration of fifteen (15) years following the EFFECTIVE DATE OF THIS AGREEMENT, should provide written notice to MONSANTO requesting that MONSANTO grant LICENSEE additional licenses and rights to use TECHNICAL INFORMATION to construct additional plants or expand the PLANT beyond the "debottlenecking and increasing efficiency" provisions set forth in Paragraph 2.05, MONSANTO agrees that it will not unreasonably refuse to grant to LICENSEE such additional licenses and rights.

ARTICLE III - TECHNICAL INFORMATION AND ASSISTANCE

3.01 - As soon as practicable, but in no event later than (30) days following the EFFECTIVE DATE OF THIS AGREEMENT, MONSANTO shall provide TECHNICAL INFORMATION to LICENSEE so as to enable LICENSEE to design, construct, operate, and maintain the PLANT for the production of PRODUCT.

3.02 - For a period beginning with the EFFECTIVE DATE OF THIS AGREEMENT, and ending June 30, 1991, MONSANTO, at LICENSEE's request, shall make available to LICENSEE no more than two (2) competent technical personnel, subject, however, to their availability to MONSANTO, without any requirement of additional payment of any kind by MONSANTO, at the time of LICENSEE's request, to assist LICENSEE in understanding the TECHNICAL INFORMATION to enable LICENSEE and/or its contractor or contractors selected pursuant to Paragraph 4.01 of Article IV to design and construct the PLANT and to enable LICENSEE to operate and maintain the PLANT. Each such request for technical assistance shall be made by notice to MONSANTO given at least fourteen (14) days prior to the time set forth in such notice for such technical assistance and MONSANTO shall be at liberty in its sole discretion to specify the identity and number of the technical personnel to be made available to LICENSEE pursuant to this Paragraph 3.02. LICENSEE shall compensate MONSANTO for such technical assistance as set forth in Paragraph 5.07 of Article V.

3.03 - Notwithstanding the terms and conditions set forth in Paragraph 3.02, technical assistance provided by MONSANTO thereunder shall not exceed a total of ten (10) man-days per MONSANTO technical personnel. In the event LICENSEE should request man-days of technical assistance in addition to the ten (10) man-days set forth in this Paragraph 3.03, and MONSANTO is willing to provide such additional man-days of technical assistance, LICENSEE shall compensate MONSANTO for such

additional man-days of technical assistance as set forth in Paragraph 5.07 of Article V.

ARTICLE IV - USE OF CONTRACTOR

4.01 - LICENSEE may select any contractor or contractors, having professional skills, education, training, and background sufficient to understand TECHNICAL INFORMATION, for carrying out the detailed engineering, procurement of components, and erection of the PLANT, provided that MONSANTO has no reasonable objections to such selection and further provided that such contractor(s), employees and representatives of contractor(s) who have or may have access to TECHNICAL INFORMATION enter into security agreements with MONSANTO to protect the confidential nature of TECHNICAL INFORMATION that may be received directly or indirectly from LICENSEE and/or MONSANTO. Such security agreements shall be substantially in the form of Exhibit L2 attached to this Agreement. For purposes of this Paragraph 4.01, LICENSEE shall disclose the name of any such candidate contractor(s) in writing to MONSANTO to allow MONSANTO at least ten (10) days to notify LICENSEE of any reasonable objection MONSANTO may have to the selection of any such candidate contractor(s) by LICENSEE before any TECHNICAL INFORMATION is disclosed to any such candidate contractor(s).

4.02 - LICENSEE expressly agrees to make no disclosure of TECHNICAL INFORMATION to any contractor(s), candidate contractor(s) or employees or representatives thereof until the security agreements with MONSANTO, as provided in Paragraph 4.01,

have been duly executed. 4.03 - LICENSEE shall obtain the right for technical personnel designated by MONSANTO to have access to the facilities of the contractor(s) selected pursuant to Paragraph 4.01, as MONSANTO may require, for the purpose of providing technical assistance pursuant to Paragraph 3.02 of Article III.

ARTICLE V - PAYMENTS

5.01 - In consideration of the licenses granted to LICENSEE pursuant to Paragraphs 2.01 and 2.02, LICENSEE shall enter into and execute a Purchase/Supply Agreement, of even date herewith, providing for the purchase by LICENSEE, and the sale by MONSANTO, of o-dichlorobenzene. Such Purchase/Supply Agreement, upon execution by both parties hereto, shall be attached hereto and made a part of this Agreement as Exhibit L1. In the event LICENSEE should materially breach the Purchase/Supply Agreement during the term of this Agreement in which payment is due to MONSANTO for the licenses granted to LICENSEE pursuant to Paragraphs 2.01 and 2.02, then MONSANTO shall thereafter have the right, at its sole option, to (i) terminate this Agreement by giving written notice to LICENSEE to that effect at least thirty (30) days prior to the date on which such termination is to become effective or (ii) require the payment by LICENSEE to MONSANTO of a running royalty pursuant to Paragraph 5.02 by giving written notice to LICENSEE to that effect at least thirty (30) days prior to the date on which the requirement to pay a

running royalty is to become effective, or in the event less than thirty (30) days remain prior to the beginning of the next succeeding calendar quarter, then the number of days remaining prior to the beginning of such next succeeding calendar quarter. The provisions of Paragraph 10.06 of Article X shall apply to the rights and obligations of the parties hereto upon termination of this Agreement under this Paragraph 5.01.

5.02 - In the event (a) the Purchase/Supply Agreement is terminated prior to the expiration of the term of this Agreement as set forth in Paragraph 10.01 of Article X and/or (b) LICENSEE should fail to perform and fulfill any obligation required to be performed by LICENSEE pursuant to the Purchase/Supply Agreement, and MONSANTO elects, at its sole option pursuant to Paragraph 5.01, to require the payment by LICENSEE to MONSANTO of a running royalty, then in consideration of the licenses granted to LICENSEE pursuant to Paragraphs 2.01 and 2.02, LICENSEE shall pay to MONSANTO in United States Dollars a running royalty for a period beginning on the first day of the next succeeding calendar quarter following written notice by MONSANTO to LICENSEE of such running royalty payment requirement and ending June 30, 1995 computed at the rate of three percent (3.0%) of the weighted average NET SALES VALUE (as defined in Paragraph 5.03) for PRODUCT produced in the PLANT and sold or used by LICENSEE.

5.03 - NET SALES VALUE shall mean the gross sales price less discounts and allowances to customers, expense of transporting shipments from LICENSEE to LICENSEE's customers, premiums on

insurance against loss or damage in transit, and taxes and duties based directly on the sales, insofar as the aforesaid terms apply directly to PRODUCT sold and are included in the gross sales price. With respect to any quantity of PRODUCT subject to royalty under this Agreement that is used by LICENSEE for its own purposes, or transferred to a Subsidiary or Affiliate of LICENSEE, or a Subsidiary or Affiliate thereof, such quantity of PRODUCT shall be deemed to have the same NET SALES VALUE as that quantity of PRODUCT which is sold by LICENSEE during the reporting quarter. In the event LICENSEE shall have made no sale of PRODUCT at such time, then the NET SALES VALUE of the last sale of PRODUCT by LICENSEE occurring within eighteen (18) months prior to the end of the reporting quarter shall govern, or, in the event a last sale has not occurred within the time period specified, then NET SALES VALUE shall be based on the standard list price of LICENSEE for PRODUCT in effect at the time of use thereof, or in the event LICENSEE shall have no standard list price at such time, then NET SALES VALUE shall mean the total direct cost of the manufacture of PRODUCT computed in accordance with LICENSEE's standard accounting procedures, plus fifty percent (50%) of such total direct costs in lieu of overhead and all other indirect charges.

5.04 - In the event MONSANTO, pursuant to Paragraph 5.02, elects to require LICENSEE to pay a running royalty, the payments of such running royalties shall be made on or before the last days of each January, April, July, and October, respectively, for

each preceding calendar quarter, during the period in which running royalties are due under this Agreement. LICENSEE shall submit to MONSANTO a written report on or before the last days of January, April, July, and October setting forth the quantity of PRODUCT produced in the PLANT and sold or used during the next preceding calendar quarterly period ending December 31, March 31, June 30, and September 30, respectively. Any running royalties payable to MONSANTO pursuant to Paragraph 5.02 shall be paid as indicated above at the time such report is submitted to MONSANTO.

5.05 - LICENSEE shall keep such detailed records and books of account of all PRODUCT produced in the PLANT and sold or used as are reasonably necessary for verification of the reports provided pursuant to Paragraph 5.04 and ready determination of the royalty obligations set forth in Paragraph 5.02. Such records and books of account shall, upon written request of MONSANTO, be open to inspection during normal business hours by an independent certified public accountant, selected by MONSANTO, except one to whom LICENSEE has some reasonable objection to the extent necessary to certify the correctness of the reports and royalty payments made or which should have been made as provided in Paragraph 5.04. Such certified public accountant shall not disclose to MONSANTO any information relating to the business of LICENSEE except that which should have been previously contained in a prior report pursuant to this Agreement.

5.06 - In the event MONSANTO, pursuant to Paragraph 5.02, elects to require LICENSEE to pay a running royalty, at any time

following the effective date of such running royalty payment requirement, should either of the parties hereto, by written notice to the other party during the term of this Agreement, indicate an interest to, and such other party is willing to, reactivate the terminated Purchase/Supply Agreement or enter into and execute a new Purchase/Supply Agreement, as the case may be, the parties hereto shall thereafter enter into good-faith negotiations to establish terms and conditions for such reactivation or entering into and execution of, as the case may be, such Purchase/Supply Agreement. Any such Purchase/Supply Agreement shall (i) be effective beginning on the first day of the next succeeding calendar quarter following the date upon which the reactivation or entering into and execution of such Purchase/Supply Agreement occurs, provided that such reactivation or entering into and execution date is at least thirty (30) days prior to the first day of the next succeeding calendar quarter, and (ii) shall not require refund of any royalty payments already made or affect any royalty amounts due and payable by LICENSEE to MONSANTO prior to the date on which such Purchase/Supply Agreement shall become effective pursuant to this Paragraph 5.06.

5.07 - In consideration of MONSANTO providing technical assistance to LICENSEE pursuant to Paragraph 3.02 of Article III, LICENSEE shall compensate MONSANTO for each man-day of technical assistance, wherever performed, at a net per diem rate of Six Hundred United States Dollars (\$600.00). In addition to the per

diem payments set forth in this Paragraph 5.07, LICENSEE shall reimburse MONSANTO for reasonable travel and living expenses actually incurred by MONSANTO's technical personnel when such personnel are required to travel away from their normal MONSANTO assigned place of employment to provide technical assistance to LICENSEE. All payments required under this Paragraph 5.07 shall be paid by LICENSEE to MONSANTO within thirty (30) days after receipt of invoices from MONSANTO specifying payments due.

5.08 - All payments under this Agreement by LICENSEE shall be paid to MONSANTO's account (No. 00000502) at Citibank, N.A. located at New York City, New York, or such other place as MONSANTO may elect. Such payments shall be deemed to have been given or made on the date that they are received by MONSANTO or credited to MONSANTO's account. Payments under this Agreement by letters of credit shall not be acceptable except with the prior written approval of MONSANTO.

5.09 - Payments to be made by LICENSEE to MONSANTO pursuant to this Agreement shall not be reduced by, and shall be free and clear of, any and all set-offs or counterclaims of any nature whatsoever arising out of or in connection with any matter or transaction not specifically a part of this Agreement.

ARTICLE VI - REPRESENTATIONS AND WARRANTIES

6.01 - MONSANTO makes no representation or warranty with respect to, and does not in any way guarantee (i) the performance of the PLANT and/or (ii) that the use of TECHNICAL

INFORMATION licensed pursuant to this Agreement will not infringe any currently existing or future Letters Patent and MONSANTO does not in any way agree to indemnify LICENSEE against any charge of infringement. MONSANTO represents, however, that to the best of its knowledge and belief (a) TECHNICAL INFORMATION provided to LICENSEE pursuant to Paragraph 3.01 of Article III contains all of the information heretofore required and used by MONSANTO to produce PRODUCT at its own facilities located at or near Luling, Louisiana and Sauget, Illinois, and (b) as of the EFFECTIVE DATE OF THIS AGREEMENT, it is not aware of any Letters Patent which would be infringed by the use of TECHNICAL INFORMATION licensed pursuant to this Agreement.

ARTICLE VII - INDEMNITIES

7.01 - In no event shall MONSANTO, its directors, officers, or employees be liable to LICENSEE, its directors, officers, or employees for any indirect, incidental, consequential, punitive, and/or special damages in connection with or arising out of this Agreement, including, but not limited to, the loss of use, revenue, or profit.

7.02 - MONSANTO shall not be liable to LICENSEE for any loss, liability, claim, damage or expense of whatever kind arising out of or as a consequence of, as the case may be, LICENSEE's use of TECHNICAL INFORMATION and/or technical improvements, including advice, consultation, review, or assistance furnished or licensed to LICENSEE pursuant to this

Agreement, nor shall MONSANTO be liable to LICENSEE for any such loss, liability, claim, damage or expense arising out of the use, manufacture, possession, transportation, handling, sale or resale of PRODUCT or any other product manufactured or produced using TECHNICAL INFORMATION and/or technical improvements.

7.03 - LICENSEE agrees that it shall hold MONSANTO harmless from any loss, liability, claim, damage or expense of whatever kind caused or resulting, in whole or in part, from injury or damage to any person (including death) or damage to any property (including the property of LICENSEE and including the loss of use), whatever the cause may be, arising out of or as a consequence of, as the case may be, the use by LICENSEE of any TECHNICAL INFORMATION and/or technical improvements furnished or licensed to LICENSEE pursuant to this Agreement or the use, manufacture, possession, transportation, handling, sale or resale of PRODUCT or any other product manufactured or produced using TECHNICAL INFORMATION and/or technical improvements.

ARTICLE VIII - INSURANCE

8.01 - Without in any way limiting its liability under Article VII, LICENSEE agrees that it shall maintain during the term of this Agreement, at its sole expense, at least the insurance set forth in the Insurance Agreement attached hereto and made a part of this Agreement as Exhibit L3.

ARTICLE IX - SECURITY

9.01 - LICENSEE agrees, for a period ending fifteen (15) years after the EFFECTIVE DATE OF THIS AGREEMENT, to keep confidential and not disclose to third parties or use, other than as provided in this Agreement, without the prior written consent of MONSANTO, any and all TECHNICAL INFORMATION received pursuant to this Agreement.

9.02 - The obligations and restrictions set forth in Paragraph 9.01 concerning disclosure and use of the TECHNICAL INFORMATION shall not apply to TECHNICAL INFORMATION which:

- (a) LICENSEE can demonstrate was in its possession prior to the EFFECTIVE DATE OF THIS AGREEMENT, and was not previously obtained by LICENSEE, directly or indirectly, from MONSANTO under obligations of confidentiality and restricted use;
- (b) at the time of the disclosure to LICENSEE, is, or thereafter becomes, part of the public domain, by publication or otherwise, through no fault of, or breach of this Agreement by, LICENSEE, its directors, officers, employees, representatives or contractors; or
- (c) is furnished to LICENSEE by a party other than MONSANTO as a matter of right, but only to the extent and only so long as LICENSEE is free from any restriction on disclosure or use by an obligation imposed by such other party.

It is understood that specific TECHNICAL INFORMATION received by LICENSEE, directly or indirectly, from MONSANTO shall not be deemed to be within the scope of the foregoing exclusions set out in (a), (b), or (c) above by virtue of being within the scope of more general information to which any one or more of the foregoing exclusions pertains. LICENSEE further agrees that it shall neither identify nor confirm that information which it is otherwise free to disclose under the exclusions of (a), (b), or (c) of this Paragraph 9.02 was received, directly or indirectly, from MONSANTO or is related to TECHNICAL INFORMATION.

ARTICLE X - TERM AND TERMINATION

10.01 - This Agreement, unless sooner terminated in accordance with any of the provisions set forth in Paragraph 5.01 of Article V or Paragraphs 10.02, 10.03, 10.04, or 10.05 of this Article X, shall continue in full force and effect from the EFFECTIVE DATE OF THIS AGREEMENT through June 30, 1995; excepting, however, that the security provisions set forth in Article IX shall continue in full force and effect until the expiration of fifteen (15) years following the EFFECTIVE DATE OF THIS AGREEMENT.

10.02 - In the event that LICENSEE should fail to perform and fulfill, in the time and manner specified in this Agreement, any obligation required to be performed by LICENSEE pursuant to this Agreement and if default shall continue for

sixty (60) days after written notice thereof from MONSANTO, MONSANTO shall thereafter have the right to terminate this Agreement by written notice of termination to LICENSEE. The provisions of Paragraph 10.06 shall apply to the rights and obligations of the parties hereto upon termination of this Agreement under this Paragraph 10.02.

10.03 - In the event of (a) the bankruptcy or insolvency of LICENSEE or the filing by LICENSEE of a petition therefor; (b) the making by LICENSEE of an assignment for the benefit of creditors; (c) the appointment of a receiver of LICENSEE or any of its assets by a court of competent jurisdiction, which appointment shall not be vacated within sixty (60) days thereafter; or (d) the filing of any other petition based upon the alleged bankruptcy or insolvency of LICENSEE which shall not be dismissed within sixty (60) days thereafter, this Agreement shall terminate, without notice from MONSANTO, effective as of the date of occurrence of any one or more of the foregoing events. The provisions of Paragraph 10.06 shall apply to the rights and obligations of the parties hereto upon termination of this Agreement under this Paragraph 10.03.

10.04 - In the event (a) LICENSEE should fail to perform and fulfill any obligation required to be performed by LICENSEE pursuant to the Purchase/Supply Agreement, (b) the Purchase/Supply Agreement is terminated, for any reason whatsoever, prior to the expiration of the term of this Agreement, or is suspended, for any reason whatsoever, other

than Force Majeure as set forth in Paragraph 12.01 of Article XII, during the term of this Agreement and such suspension shall continue for a period extending beyond thirty (30) days, or (c) the Insurance Agreement is breached by LICENSEE's failure to maintain insurance as required therein, MONSANTO shall thereafter have the right at its sole option (i) to terminate this Agreement by giving written notice of termination to LICENSEE or (ii) require the payment by LICENSEE to MONSANTO of a running royalty at the rate set forth in Paragraph 5.02 of Article V by giving written notice to LICENSEE to that effect at least thirty (30) days prior to the date on which the running royalty is to become effective, or in the event less than thirty (30) days remain prior to the beginning of the next succeeding calendar quarter, then the number of days remaining prior to the beginning of next succeeding calendar quarter; provided, however, for purposes of this Paragraph 10.04, breach of the Purchase/Supply Agreement by MONSANTO or the exercise of rights set forth in Paragraph 10 (Price Protection) of the Purchase/Supply Agreement by either party shall not be construed as grounds for (i) termination of this Agreement, or (ii) preventing the implementation of the requirement to pay royalties at the rate set forth in Paragraph 5.02 of Article V. The provisions of Paragraph 10.06 shall apply to the rights and obligations of the parties hereto upon termination of this Agreement under this Paragraph 10.04.

10.05 - In the event LICENSEE does not initiate construction of the PLANT on or prior to March 31, 1990, or in the event such construction is initiated and LICENSEE fails to complete construction of the PLANT on or prior to June 30, 1991, MONSANTO shall have the right to terminate this Agreement by giving written notice of termination to LICENSEE. The provisions of Paragraph 10.06 shall apply to the rights and obligations of the parties hereto upon termination of this Agreement under this Paragraph 10.05.

10.06 - In the event of any termination of this Agreement under the provisions set forth in Paragraph 5.01 of Article V or Paragraphs 10.02, 10.03, 10.04, or 10.05 of this Article X, then LICENSEE specifically undertakes and agrees that the security provisions set forth in Article IX of this Agreement shall nonetheless remain in full force and effect, and LICENSEE further agrees to return and deliver to MONSANTO all copies of all notes, reports, photographs, manuals, memoranda, plans, drawings, flow sheets, records or other documents containing any TECHNICAL INFORMATION provided, directly or indirectly, by MONSANTO to LICENSEE and further agrees to destroy all copies of any materials prepared by LICENSEE, its employees, or its other representatives which contain TECHNICAL INFORMATION. Such return and delivery and/or destruction shall be within sixty (60) days following the effective date of any such termination of this Agreement. In addition, it is understood and agreed that any such termination of this Agreement shall terminate any

and all licenses and rights granted to LICENSEE under this Agreement, but such termination shall not (a) terminate the obligations of LICENSEE to MONSANTO under this Agreement to pay in full any and all amounts of money having come due prior to such termination and to indemnify MONSANTO under the provisions of Article VII or (b) require refund of any payments already made by LICENSEE to MONSANTO.

ARTICLE XI - ASSIGNMENT

11.01 - Neither this Agreement nor any of the rights and obligations arising hereunder may be assigned or transferred by LICENSEE, by operation of law or otherwise, without the prior written consent of MONSANTO, which consent shall not be unreasonably withheld, and any attempt to assign or transfer without such consent shall be void and of no effect.

11.02 - In case of any assignment or transfer by LICENSEE as provided for in Paragraph 11.01 of this Agreement, LICENSEE shall first obtain written assurance and agreement of the assignee to fulfill all of LICENSEE's obligations under this Agreement and shall remain liable to MONSANTO for compliance by the assignee with all of the provisions of this Agreement. Any such assignment, however, shall not relieve LICENSEE of any of its continuing obligations made under this Agreement which were incurred prior to the effective date of such assignment.

ARTICLE XII - FORCE MAJEURE

12.01 - Neither of the parties hereto shall be liable, except for payment due under this Agreement, for any default or delay caused by any contingency beyond its reasonable control, including without limitation, war, restraints affecting shipping, strikes, lockouts, fires, accidents, floods, droughts, natural calamities, demand or requirements of the United States of America government or of any governmental subdivisions thereof, or restraining orders or decrees of any court or judge having jurisdiction in the premises, or any other similar contingency, but only so long as any contingency may exist. If any such contingency should cause a delay to either party in carrying out its obligations hereunder, the encumbered party agrees to use reasonable efforts to remove such contingency at the earliest reasonable time; provided, however, neither of the parties hereto shall be obligated to settle any strike or other labor dispute contrary to its best interests. The party invoking this Paragraph 11.01 shall give the other party notice and full particulars of such contingency by telephone, telegram, telex or telecopier as soon as possible after the occurrence of the cause upon which such party is relying. Telephone, telegram, telex, and telecopier notices shall be confirmed in writing within five (5) days. Time periods that are delayed solely due to Force Majeure will be extended for a period equal to the delay.

ARTICLE XIII - NOTICES AND TECHNICAL COMMUNICATIONS

13.01 - Any notice or report required or permitted to be given by either party to the other hereunder shall be forwarded, charges prepaid, by registered or certified air mail, with return receipt requested, addressed to the respective parties:

MONSANTO Monsanto Chemical Company
 Monsanto Company
 800 North Lindbergh Boulevard
 St. Louis, Missouri 63167,
 Attention: President

with a copy to:

 Monsanto Chemical Company
 Monsanto Company
 800 North Lindbergh Boulevard
 St. Louis, Missouri 63167, U.S.A.
 Attention: Group Patent Counsel

LICENSEE Cedar Chemical Corporation
 5100 Poplar Avenue
 Memphis, Tennessee 38137
 Attention: Vice President - Organic Chemicals

or to such other names and addresses as may be specified, from time to time, by written notice to the other party hereunder. All such notices, reports, and other communications made

hereunder shall be in writing and shall be deemed to have been given or made on the date postmarked.

13.02 - Except for communications referred to in Paragraph 13.01, all other communications, including technical communications, between the parties hereto required to implement this Agreement shall be conducted according to normal commercial practice, unless otherwise agreed to in writing by the parties hereto.

ARTICLE XIV - MISCELLANEOUS

14.01 - This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Missouri, United States of America, without recourse to any conflicts of laws principles. The parties hereto consent to the jurisdiction of the Circuit Court for the Twenty-First Judicial District of the State of Missouri and the United States District Court for the Eastern District of Missouri for all purposes in connection with any litigation between the parties hereto. If any provision of this Agreement is held by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining portions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.

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TION; provided, however, in the event of any conflict
the terms and conditions of this Agreement and those of
rementioned Confidentiality Agreement, as subsequently
, and those of Exhibits L1, L2, and L3, the terms and
ons of this Agreement shall control. No modification or
ion of this Agreement (including attached Exhibits L1,
L3) or any of its provisions shall be binding upon the
gainst whom enforcement of such modification or
ion is sought, unless made in writing and signed on
of such party by an authorized representative of such

WITNESS WHEREOF, the parties hereto have caused this
nt to be executed in duplicate by their duly authorized
ntatives as of the day and year first above written, with
y being retained by each of the parties.

MONSANTO COMPANY

By Robert J. Rein

Title Business Director

Date 12/11/89

: [Signature]

CEDAR CHEMICAL CORPORATION

By William F. Essler

Title V.P. & Gen Mgr.

Date December 11, 1989

: [Signature]

MONSANTO COMPANY STATIONERY

Gentlemen:

Monsanto Company, through its Monsanto Chemical Company operating unit, (hereinafter referred to as MONSANTO) is in possession of a considerable amount of confidential and proprietary technical information and know-how in the areas of the process and equipment for the manufacture of 3,4-dichloroaniline (hereinafter referred to as PRODUCT) by (a) batch liquid-phase acid-catalyzed nitration of o-dichlorobenzene, (b) batch catalytic liquid-phase hydrogenation of the mixed isomers of nitrated o-dichlorobenzene so produced, and (c) batch distillation of PRODUCT so produced. All such information and know-how, including that generated by LICENSEE (as hereinafter defined) based thereon, is hereinafter referred to as TECHNICAL INFORMATION.

MONSANTO and CEDAR CHEMICAL CORPORATION are parties to a License Agreement dated _____, whereby MONSANTO has agreed to provide LICENSEE with MONSANTO's TECHNICAL INFORMATION to enable LICENSEE to design, construct, operate, and maintain a commercial plant for the manufacture of PRODUCT in the United States of America. It is the understanding of MONSANTO that LICENSEE desires to retain _____ (hereinafter referred to as CONTRACTOR) to carry out certain work in the design and construction of the above-mentioned plant.

Before any TECHNICAL INFORMATION can be provided to CONTRACTOR by the LICENSEE or MONSANTO, it will be necessary for CONTRACTOR to agree to the terms and conditions set forth herein to protect the confidential and proprietary nature of TECHNICAL INFORMATION.

It is understood and agreed that, for a period of twenty (20) years from the date of acceptance of this Agreement, or from the date of disclosure by MONSANTO and/or LICENSEE, whichever is later, CONTRACTOR will keep confidential and not disclose to others or use, other than for the provision of engineering and construction services to LICENSEE, any and all TECHNICAL INFORMATION and any additional information generated by CONTRACTOR or its employees based upon TECHNICAL INFORMATION.

The restrictions provided for herein concerning use and disclosure of TECHNICAL INFORMATION and any information generated by CONTRACTOR or its employees based upon TECHNICAL INFORMATION shall not apply to the use or disclosure of information which CONTRACTOR can demonstrate (a) was in the possession of CONTRACTOR prior to the acceptance date of this Agreement and which was not previously obtained, either

directly or indirectly, from MONSANTO, LICENSEE or their employees; (b) was at the time of disclosure to CONTRACTOR, or thereafter becomes, part of the public domain by publication or otherwise, through no act or failure to act on the part of CONTRACTOR or its employees; or (c) was or is hereafter furnished to CONTRACTOR by others without restrictions on disclosure or use, and was not obtained, either directly or indirectly, from MONSANTO, LICENSEE, or their employees. Specific TECHNICAL INFORMATION shall not be deemed to be within any of the foregoing exclusions merely because it is or may be within the scope of more general information which falls within any one or more of the foregoing exclusions. CONTRACTOR agrees that it shall neither identify nor confirm that information which it is otherwise free to disclose under the exclusions set forth above was received from MONSANTO or LICENSEE.

CONTRACTOR agrees to advise all of its employees who may be granted access to TECHNICAL INFORMATION and/or information generated by CONTRACTOR based upon TECHNICAL INFORMATION of the foregoing security provisions and to require all such employees, prior to granting them access to such information, to enter into a confidentiality undertaking with MONSANTO (which shall be in the form of Exhibit L2A attached hereto). CONTRACTOR further agrees that it shall restrict access to TECHNICAL INFORMATION and/or information generated by CONTRACTOR based upon TECHNICAL INFORMATION to only those employees who may personally require same and then only to the extent necessary to carry out the work for LICENSEE as provided for above.

CONTRACTOR agrees that it will maintain in a place of safekeeping and segregate all TECHNICAL INFORMATION provided by MONSANTO or by LICENSEE, either directly or indirectly, from other CONTRACTOR records, documents, drawings, files, and the like. It is understood and agreed that, when so requested by either MONSANTO or LICENSEE, CONTRACTOR will return and deliver to LICENSEE all notes, reports, photographs, manuals, memoranda, plans, drawings, records, or other documents furnished to CONTRACTOR and/or its employees (including all copies thereof) and all such materials (including all copies thereof) prepared by CONTRACTOR and/or its employees which contain TECHNICAL INFORMATION; provided, however, CONTRACTOR shall be allowed to retain for record purposes only, one (1) copy of all the aforesaid materials in segregated controlled files in its Patent or Law Department; provided further that any materials so retained shall be maintained as confidential pursuant to the terms of this Agreement. CONTRACTOR shall have the right to delete from all documents it is required to deliver to MONSANTO or LICENSEE, CONTRACTOR's proprietary information contained in such documents.

It is understood and agreed that nothing contained herein shall preclude CONTRACTOR from undertaking the detailed plant design, construction, and/or erection of commercial facilities for the production of PRODUCT for any other client in those instances where the process design is supplied to CONTRACTOR from sources other than MONSANTO, as long as the process resulting therefrom does not utilize TECHNICAL INFORMATION obtained, either directly or indirectly, from MONSANTO, LICENSEE, or their employees. However, in the event that CONTRACTOR does undertake such work for another client, CONTRACTOR agrees that, in order to provide assurance against the inadvertent disclosure of MONSANTO's confidential and proprietary information, CONTRACTOR will not, without the prior written consent of MONSANTO, for a period of five (5) years from the date it has completed all of its services for LICENSEE, assign to any such work or permit to participate, either directly or indirectly therein, any project engineers, process engineers, instrument engineers, design engineers, metallurgists, start-up engineers, operators, and technicians who have had access to TECHNICAL INFORMATION, including any information generated by CONTRACTOR based upon TECHNICAL INFORMATION.

If the foregoing meets with CONTRACTOR's approval and understanding, please indicate CONTRACTOR's acceptance thereof by having a duly authorized representative of CONTRACTOR execute this letter in duplicate in the space indicated below and return one of the fully executed duplicates to MONSANTO.

Very truly yours,

MONSANTO COMPANY

By _____

Title _____

ACCEPTED AND AGREED TO:

(CONTRACTOR)

By _____

Title _____

Date _____

EXHIBIT L1

ODCB PURCHASE/SUPPLY AGREEMENT

DATED DECEMBER 11, 1989

EXHIBIT A

CONTRACTOR STATIONERY

Monsanto Company
800 North Lindbergh Boulevard
St. Louis, Missouri 63167

Gentlemen:

Monsanto Company (hereinafter referred to as "MONSANTO") and _____ (hereinafter referred to as "CONTRACTOR") have entered into an agreement dated _____ whereby technical information and know-how in the areas of the process and equipment for the manufacture of 3,4-dichlorobenzene (hereinafter referred to as PRODUCT) by (a) batch liquid-phase acid-catalyzed nitration of o-dichlorobenzene, (b) batch liquid-phase hydrogenation of the mixed isomers of nitrated o-dichlorobenzene so produced, and (c) batch distillation of PRODUCT so produced, all such information (including that generated by Cedar Chemical Company having its principal offices at 5100 Poplar Avenue, Memphis, Tennessee 38137, hereinafter referred to as "LICENSEE") based thereon, hereinafter referred to as TECHNICAL INFORMATION, will be disclosed to CONTRACTOR to allow CONTRACTOR to carry out certain work in the design and construction of a plant for LICENSEE based on and utilizing TECHNICAL INFORMATION.

In connection with TECHNICAL INFORMATION to be provided to CONTRACTOR by LICENSEE and/or MONSANTO, it is anticipated that representatives of LICENSEE and/or MONSANTO will disclose or make available to me, either orally or in writing, certain secret and confidential information which is possessed by them and is of value to MONSANTO. In order to maintain the secret and confidential nature of such information, and at the same time, to facilitate discussions and the disclosure of such information by LICENSEE and/or MONSANTO to enable CONTRACTOR to use such information for the purpose set forth above, it is deemed necessary that all such information received or obtained by CONTRACTOR and/or me from LICENSEE and/or MONSANTO or representatives of LICENSEE and/or MONSANTO be received and maintained in confidence.

It is understood and agreed that I will keep confidential and not, without the prior written consent of MONSANTO, divulge to others or use for any purpose, other than for the purpose set forth above, any TECHNICAL INFORMATION acquired directly or indirectly by me from LICENSEE and/or MONSANTO, as well

as all information generated by CONTRACTOR and/or me based thereon.

It is understood and agreed that the above restrictions concerning the use and disclosure of TECHNICAL INFORMATION and information generated by CONTRACTOR and/or based thereon shall not apply to information:

- (1) which I can demonstrate was in my possession prior to _____, 19____, and was not previously obtained either directly or indirectly from MONSANTO, its licensees, CONTRACTOR, LICENSEE, their employees or their representatives,
- (2) which at the time of disclosure to me is or thereafter becomes, through no act or failure to act on the part of CONTRACTOR, its representatives or me, part of the public domain by publication or otherwise, or
- (3) which is furnished to CONTRACTOR or me by another party other than MONSANTO's licensees or LICENSEE as a matter of right, but only to the extent and so long as the party that the information is disclosed to is not precluded from disclosing by an obligation imposed by said other party.

Specific information shall not be deemed to be within any of the foregoing exclusions set out in (1), (2) or (3) merely because it is or may be within the scope of more general information which falls within any one or more of the foregoing exclusions. I agree that I shall neither identify nor confirm that information which I am otherwise free to disclose under the exclusions set out in (1), (2) or (3) of the paragraph was received directly or indirectly from LICENSEE and/or MONSANTO.

It is understood and agreed that when so requested by LICENSEE and/or MONSANTO, I will return and deliver to CONTRACTOR all notes, data, plans, drawings, records or other documents and all copies thereof furnished me directly or indirectly by LICENSEE and/or MONSANTO or prepared by me on the basis of information disclosed by LICENSEE, MONSANTO or their representatives.

It is understood and agreed that the TECHNICAL INFORMATION provided by LICENSEE and/or MONSANTO and all information generated by me based thereon shall not be disclosed or made available to any representatives of CONTRACTOR, including directors, officers, employees and agents thereof, except those who have entered into a confidentiality understanding

with MONSANTO and who may personally require such information to assist CONTRACTOR in using such information as set forth above and then only to the extent so required.

ACCEPTED AND AGREED TO:

By _____

Title _____

Date _____

DCA

John Brown E&C

SECRECY AGREEMENT

THIS AGREEMENT, made this 28th, day of November, 1989 by and between CEDAR CHEMICAL CORPORATION, a Delaware corporation, having its principal place of business at 24th Floor, Clark Tower, 5100 Poplar Avenue, Memphis, Tennessee 38137 (hereinafter referred to as "Cedar"), and JOHN BROWN E&C INCORPORATED having its principal place of business at 7909 Parkwood Circle Drive, Houston, Texas 77036 (hereafter referred to as "John Brown").

WHEREAS, Cedar possesses technical information and know how related to dichloronitrobenzene and dichloronitroaniline.

WHEREAS, Cedar wishes to disclose such information to John Brown as a basis for negotiations leading to a possible agreement between the parties;

NOW, THEREFORE, the parties agree as follows:

1. The technical information and know-how disclosed by Cedar to John Brown hereunder and designated in writing to be confidential shall, for a period of ten years from the date of this Agreement, be kept confidential by John Brown with the same reasonable precautions against disclosure to other parties that John Brown uses with respect to its own information of a similar nature. Information disclosed orally will be considered non-confidential (except discussions of written documents designated as confidential) unless, within thirty (30) days after such oral disclosure, a written disclosure is submitted to John Brown containing the information which was orally disclosed, and

confirming the confidential nature of such information.

2. The obligations set forth in paragraph 1 hereof shall not apply to (a) information which is now or later becomes publicly known through no fault of John Brown, (b) information which John Brown obtains from a third party entitled to disclose it, or (c) information which was already known to John Brown at the time of its disclosure hereunder, as supported by John Brown's prior written records.

3. John Brown shall not use for commercial purposes without prior written consent of Cedar any information deemed confidential pursuant to the terms of this Agreement, for so long as such information must be maintained confidential hereunder.

4. Nothing contained in this Agreement shall be deemed to grant John Brown a license to use any confidential information disclosed to it hereunder.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year above written.

CEDAR CHEMICAL CORPORATION

By: William F. Euler
VP Organic Chemicals

JOHN BROWN E&C INCORPORATED

By: Robert F. Tavel
Executive Vice President - Houston Cent